

#15 - Aggregate Operating Budget - Requires 7 Affirmative Votes

Resolution No:	<u>15-1020</u>
Introduced:	<u>May 26, 2005</u>
Adopted:	<u>May 26, 2005</u>

COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND

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By: County Council

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Subject: Approval of the FY 2006 Aggregate Operating Budget

Background

1. Section 305 of the County Charter requires the affirmative vote of 7 Councilmembers to approve the aggregate operating budget if that budget exceeds the adopted spending affordability guidelines then in effect. Section 305 excludes from the aggregate operating budget:
  - Specific grants;
  - Enterprise Funds;
  - Tuition and tuition-related charges at Montgomery College;
  - Washington Suburban Sanitary Commission.
2. Section 20-60 of the County Code requires the Council to set spending affordability guidelines by resolution no later than the third Tuesday in December. The guidelines must specify a ceiling on property taxes for FY 2006, and a ceiling on the aggregate operating budget for FY 2006. Section 20-60 also permits the Council to revise the guidelines: not later than the second Tuesday after the General Assembly adjourns its regular session each year, the Council may amend the resolution establishing the guidelines to reflect a significant change in conditions. An amendment may increase or decrease any guideline. However, any increase of a guideline must not exceed the projected net increase in available resources since the guideline was adopted, applying the tax rates that were assumed in adopting that guideline and considering the rates of any tax approved or repealed since that guideline was adopted.
3. Section 305 of the Charter requires that at least 6 Council members must approve the aggregate operating budget if that budget exceeds the budget for the preceding year by more than the rate of inflation, as measured by the annual average increase in the Consumer Price Index for all urban consumers in the Washington-Baltimore Metropolitan area for the 12-month period

preceding December 1, which was 2.8 percent for the 12-month period preceding December 1, 2004.

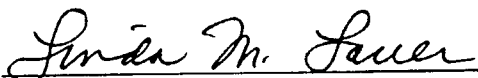
4. In Resolution No. 15-847, adopted December 14, 2004, the Council adopted the following spending affordability guideline for the FY 2006 aggregate operating budget:
  - the ceiling on the aggregate operating budget \$2,947.9 million
5. The Council did not revise the guidelines in April 2005.
6. On May 27, 2004, in Resolution 15-635, the Council approved the FY 2005 aggregate operating budget in the amount of \$2,842.7 million. If that aggregate operating budget increased at the 2.8% rate of inflation for the 12-month period preceding December 1, 2004, it would be \$2,922.3 million.

Action

The County Council for Montgomery County, Maryland approves the following resolution:

The Council approves the FY 2006 aggregate operating budget in the amount of \$3,061.5 million, as calculated on the attached page. Because this aggregate operating budget exceeds the final revised spending affordability guideline ceiling of \$2,947.9 million, 7 affirmative votes are required to adopt this resolution. Because the budget exceeds the adjusted FY 2005 aggregate operating budget, as increased for inflation, of \$2,922.3 million, 6 affirmative votes are required to adopt this resolution.

This is a correct copy of Council action.



Linda M. Lauer  
Clerk of the Council

The FY 06 aggregate operating budget, which excludes enterprise funds, specific grants, and tuition and tuition-related charges at the College, is calculated as follows.

Item	Debt Service (Incl LT leases)	Operating	Total
General Fund	201,869,230	764,014,840	965,884,070
Economic Development Fund		840,990	840,990
Recreation District	7,950,370	24,965,750	32,916,120
Urban Districts		6,344,480	6,344,480
Mass Transit	3,119,380	86,821,010	89,940,390
Noise Abatement Districts	42,340		42,340
Fire District	3,043,220	152,751,120	155,794,340
MCPS		1,592,155,654	1,592,155,654
Montgomery College:			
Current Fund		164,029,763	164,029,763
Emergency Fund For Maintenance and Repair		350,000	350,000
MNCPPC:			
Administration Fund		23,510,400	23,510,400
ALARF	755,500		755,500
Park Fund	3,627,100	60,811,300	64,438,400
Current revenue for the Capital Budget		9,258,000	9,258,000
Current Revenue for PAYGO		11,737,000	11,737,000
Total Appropriations	220,407,140	2,897,590,307	3,117,997,447
Less College Tuition and Tuition-Related Charges		(56,517,367)	(56,517,367)
AGGREGATE OPERATING BUDGET	220,407,140	2,841,072,940	3,061,480,080
SUMMARY:			
MCPS		1,592,155,654	1,592,155,654
College, Total		164,379,763	164,379,763
Less College Tuition & Tuition-Related Charges		(56,517,367)	(56,517,367)
College, Net		107,862,396	107,862,396
County Government		1,035,738,190	1,035,738,190
MNCPPC	4,382,600	84,321,700	88,704,300
Debt Service for Co. Gov., MCPS, College, Parks	216,024,540		216,024,540
Total Current Revenue for Capital Budget		20,995,000	20,995,000
Total Appropriations	220,407,140	2,897,590,307	3,117,997,447
AGGREGATE OPERATING BUDGET	220,407,140	2,841,072,940	3,061,480,080